BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: June 16, 2004 Division: County Administrator

Bulk Item: Yes ____ No _X_ Department: County Administrator

AGENDA ITEM WORDING: Approval to spend an additional $10,000 for due diligence activities for the purchase of the D & J Industries building on Big Pine Key.

ITEM BACKGROUND: The cost of due diligence activities conducted to date since the BOCC approved the purchase agreement for this property totals $19,403. The largest issues identified by said activities are concrete spalling and soil contamination (see attached information). The estimated cost of immediate repairs to the building and addressing the contaminated soil is approximately $320,000, of which the repairs to the existing spalled concrete is approximately $262,500. If the BOCC wishes to proceed toward the purchase of this property, staff recommends allocating an additional $10,000 for further analysis of the concrete spalling issue before committing to the purchase.

PREVIOUS RELEVANT BOCC ACTION: On February 18, 2004 the Board entered into a contract to purchase the property. The Board approved extending the due diligence period by 60 days on April 21, 2004 and again on May 19, 2004.

CONTRACT/AGREEMENT CHANGES: Increase the total appropriation for this purchase (including due diligence and closing costs) from $1,080,728.50 to $1,090,728.50.

STAFF RECOMMENDATIONS: Discussion by the Board and action as deemed appropriate.

TOTAL COST: $ 1,090,728.50 **BUDGETED:** Yes ___ No _X_

COST TO COUNTY: $ 1,090,728.50 **SOURCE OF FUNDS:** 304 Fund (Infrastructure Sales Tax)

REVENUE PRODUCING: Yes ___ No ___ **AMOUNT PER MONTH**_____ **YR** _____

APPROVED BY: County Atty ____ OMB/Purchasing ____ Risk Management ____

DIVISION DIRECTOR APPROVAL: James Roberts, DA
James L. Roberts, County Administrator

DOCUMENTATION: Included _X_ To Follow_____ Not Required_____

DISPOSITION:_____ **AGENDA ITEM #** S3

APPROPRIATION INCREASE
06/16/04

Property	Purchase Price	Envr. Audit, Survey or Clean-up	Title Insurance	Attorney Fee	Recording Fee	Acquisition Total
Big Pine Key Acreage						
D & J Industries Property RE#00111410-000100	$1,050,000.00	$35,000.00	$5,200.00	$500.00	$28.50	$1,090,728.50

WRS
Infrastructure & Environment, Inc.

625 E. Tennessee Street, Suite 100
Tallahassee, Florida 32308
(850) 531-9860
Fax: (850) 531-9866
Toll Free: (888) 640-9860

June 4, 2004

Mr. Mark Rosch
Executive Director
Monroe County Land Authority
1200 Truman Avenue, Suite 207
Key West, Florida 33040

SUBJECT: COST ESTIMATE FOR LIMITED PHASE II ESA – SOURCE REMOVAL
Tract 3 Property
Tropic-Island Ranchetts Subdivision (Beal Bank)
Big Pine Key, Monroe County, Florida
WRS Project No.: 304607

Dear Mr. Rosch:

WRS Infrastructure & Environment, Inc. (WRS) has prepared this cost estimate for Limited Phase II Environmental Site Assessment (ESA) - Source Removal activities at the Subject Property referenced above. The Limited Phase II ESA – Source Removal activities are based on the recommendations presented in the Limited Phase II ESA submitted to the Monroe County Land Authority (MCLA) on May 15, 2004. The Limited Phase II ESA – Source Removal will be conducted in accordance with the standards set forth by Florida Department of Environmental Protection (FDEP).

WRS has recommended a source removal to remove the soil contamination and stained soils observed at the Subject Property. A WRS crew will mobilize to the site.

- Conduct an excavation (source removal) at all areas of stained soils observed throughout the Subject Property pursuant to the Source Removal Guidelines of Chapter 62-770.300, FAC with proper disposal of the contaminated soil. Confirmation soil samples will be collected from the excavation limits for laboratory analyses of TRPH only. After collection of the confirmation samples, the excavations will be backfilled to the existing land surface

All source removal activities including the surficial soil samples will be conducted in accordance with the Standard Operation Procedures prescribed by the FDEP Quality Assurance Section. The results of the laboratory analyses and WRS's recommendations will be presented in a letter report.

The estimated cost to perform the above referenced activities is **$ 16,698.00**.

This cost estimate is based on the following:

- Excavating approximately 23 tons of contaminated soil and disposing of the contaminated soil at a Waste Management facility located in Broward County.
- Backfilling approximately 23 tons of clean limestone fill in the excavated areas.
- Sampling the soil at excavation boundaries for the analyses of TRPH only. The cost estimate is based on sampling 40 locations for TRPH only.

Should site constraints or the scope of work change significantly, WRS reserves the right to negotiate a change order with the MCLA. WRS anticipates a time period of five weeks for the completion of the Limited Phase II ESA – Source Removal.

WRS appreciates the opportunity to provide this cost estimate to the MCLA. Should you have any questions or require additional information, please call me at (850) 531-9860.

Sincerely,
WRS Infrastructure & Environment, Inc.

Frank Powell
Project Manager

KW

RECEIVED MAY 1 4 2004

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May 15, 2004

Mr. Mark J. Rosch
Executive Director
Monroe County Land Authority
1200 Truman Avenue, Suite 207
Key West, Florida 33040

RE: LIMITED PHASE II ENVIRONMENTAL SITE ASSESSMENT
Tract 3 Property
Tropic-Island Ranchetts Subdivision (Beal Bank)
Big Pine Key, Monroe County, Florida
WRS Project No.: 304607

Dear Mr. Rosch:

The Monroe County Land Authority (MCLA) contracted WRS Infrastructure & Environment, Inc. (WRS) to conduct a Limited Phase II Environmental Site Assessment (ESA) at the Tract 3 Property (Subject Property) located in Monroe County, Florida. The Subject Property location is shown on Figure 1 in Attachment I. The Limited Phase II ESA investigation was authorized by a letter of authorization dated April 21, 2004. WRS is pleased to present MCLA with this letter report detailing the findings of this investigation.

BACKGROUND

On March 4, 2004, WRS completed a Phase I ESA that identified some recognized environmental conditions on the Subject Property. The following recognized environmental conditions were observed throughout the Subject Property: Two empty 600 gallon aboveground storage tanks (ASTs) and several areas of stained soils. A commercial structure was also identified on the Subject Property. WRS performed lead-based paint and asbestos surveys on the structure identified at the Subject Property. Lead-based paint readings at the structure were not above the Housing and Urban Development (HUD) regulatory limit of 1.0 mg/cm^2 and no asbestos-containing materials were identified at the structure on the Subject Property. Based on the observations by WRS personnel, further assessment work was recommended at the recognized environmental condition, the stained soils, located throughout portions of the Subject Property to determine the possible presence of soil contamination.

SCOPE OF WORK

WRS personnel mobilized to the Subject Property on April 27, 2004. The following activities were performed to determine the possible presence of contamination.

Area of Concern: Stained Soils

Ten soil samples (samples SS-1 through SS-10) were collected from a depth of four to six inches below land surface (bls). Soil samples SS-1 through SS-5 were taken from the largest stains observed on the Subject Property, 5 feet in diameter or larger. These samples were composite samples, meaning soil was collected from more than one portion of the stain and mixed together in order to gain an accurate representation as to the chemical make-up of the entire soil stain. Soil samples SS-6 through SS-10 were taken from the smaller stains, less than 5 feet in diameter. These samples were grab samples, meaning soil was collected from one location in the center of the soil stain. All of the samples were analyzed for the presence of Volatile Organic Aromatics, Total Recoverable Petroleum Hydrocarbons (TRPH) by Florida Petroleum Range Organics (FL-PRO) and the eight RCRA metals.

SOIL SAMPLING METHODOLOGIES

Quality Assurance and Quality Control

The soil sampling for this investigation was conducted in accordance with the Standard Operating Procedures prescribed by the FDEP Quality Assurance Section.

WRS personnel collected a quality assurance and quality control (QA/QC) sample during the sampling activities for the Limited Phase II ESA. The QA/QC sample was a soil equipment blank sample. The equipment blank was collected from rinsate water poured over the equipment used in collecting the soil samples. Laboratory analysis of the equipment blank sample indicated all tested parameters were below laboratory method detection limits.

The sample containers were provided by Southern Research Laboratories Inc. (SRL) of Orlando, Florida, a Florida Department of Health approved environmental laboratory (No. E83484). The sampling activities were documented in a field logbook and the samples were transmitted under chain of custody and custody seal protocol to SRL. The samples were immediately iced upon collection and hand delivered to SRL.

Soil Sample Collection

On April 27, 2004, WRS personnel mobilized to the Subject Property. WRS collected five composite soil samples (designated SS-1, SS-2, SS-3, SS-4 and SS-5) and six grab soil samples (designated SS-6, SS-7, SS-8, SS-9, SS-10 and Background). The soil samples were collected using a precleaned stainless steel spoon. The soil samples were transferred directly from the spoon to the sample container supplied by the laboratory. The soil sample locations are shown on Figure 2 in Attachment I. Photographic documentation of the soil sampling event is provided in Attachment II.

SOIL SAMPLING RESULTS

Soil Sampling Results

- Laboratory analytical results of soil samples SS-1 through SS-10 exhibited TRPH concentrations ranging from 14.7 milligrams/kilogram (mg/kg) to 14,300 mg/kg. The reported concentrations for SS-2 and SS-10 are below the FDEP Soil Cleanup Target Level (SCTL) of 340 mg/kg for the direct exposure residential limit, as established in Chapter 62-777, Florida Administrative Code (FAC). The reported concentrations for SS-1, SS-6, and SS-8 were above the FDEP SCTL for direct exposure residential limit, but below the FDEP SCTL for direct exposure industrial/commercial limit. The reported concentrations for SS-3, SS-4, SS-5, SS-7, SS-9 are above the FDEP SCTL of 2,500 mg/kg for direct exposure industrial/commercial limit, as established in Chapter 62-777, FAC.

- Laboratory analytical results of soil sample SS-3, SS-5, SS-6, and SS-8 exhibited arsenic concentrations above the FDEP SCTL of 0.8 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC. Soil sample SS-6 exhibited an arsenic consentration of 6.6 mg/kg, which is above the FDEP SCTL of 3.7 mg/kg for direct exposure industrial/commercial limits, as established in Chapter 62-777, FAC.

- Laboratory analytical results of soil samples SS-1, SS-2, SS-3, SS-4, SS-6, SS-7, SS-8, and SS-9 exhibited barium concentrations below the FDEP SCTL of 5,200 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC.

- Laboratory analytical results of soil samples SS-1, SS-2, SS-3, SS-4, SS-5, SS-6, SS-7, SS-8, and SS-9 exhibited chromium concentrations below the FDEP SCTL of 210 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC.

- Laboratory analytical results of soil samples SS-1, SS-3, SS-6, and SS-9 exhibited lead concentrations below the FDEP SCTL of 400 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC.

- Laboratory analytical result of soil sample SS-5 exhibited selenium concentrations below the FDEP SCTL of 390 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC.

- Laboratory analytical results of soil samples SS-1 and SS-4 exhibited silver concentrations below the FDEP SCTL of 390 mg/kg for direct exposure residential limits, as established in Chapter 62-777, FAC.

All other parameters analyzed were reported below laboratory method detection limits or the FDEP SCTLs. The soil laboratory analytical data sheets for Subject Property are included in Attachment III. A summary of selected analytical parameters for the soil analytical results is provided as Table 1 in Attachment IV.

CONCLUSIONS AND RECOMMENDATIONS

The results of the Limited Phase II ESA identified petroleum hydrocarbons or arsenic above the residential and industrial/commercial state cleanup levels in the soil analytical samples at the SS-1, SS-3, SS-4, SS-5, SS-6, SS-7, SS-8, and SS-9 locations. Based on the findings from the Limited Phase II ESA and field observations, WRS recommends the following:

Stained Soils

- Conduct an excavation (source removal) at all areas of stained soils observed throughout the Subject Property pursuant to the Source Removal Guidelines of Chapter 62-770.300, FAC with proper disposal of the contaminated soil. Confirmation soil samples should be collected from the excavation limits for laboratory analyses of TRPH and arsenic only. After collection of the confirmation samples, the excavations should be backfilled and compacted to the existing land surface. FDEP's Source Removal specifications and guidelines are included in Attachment V.

WRS Infrastructure & Environment, Inc. certifies the authenticity of this report to the Monroe County Board of County Commissioners and the Monroe County Land Authority, and provides the following: a) a Limited Phase II environmental site assessment was performed on the Subject Property during April 27, 2004; b) the environmental assessment meets the requirements of the Florida Department of Environmental Protection, Division of State Lands; c) the accuracy, correctness, and completeness of the environmental assessment is provided with the knowledge of the Comprehensive Environmental Response Compensation and Liability Act as set forth in 42 U.S.C. Section 9601 et seq., as amended (CERCLA); and d) the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida and the Monroe County Land Authority are entitled to rely on the information set forth in this environmental assessment.

If you have any questions regarding this project, please call J. Ryan Cummings or myself at 850-531-9860.

Sincerely,
WRS Infrastructure & Environment, Inc.

J. Ryan Cummings
Scientist

Reviewed by: 5-13-04
Wm. Gordon Dean, P.E.
State of Florida No. 40950

Attachments:

Associated Home Inspectors, Inc.

Richard A. Gegorek
151 Shore Drive
Sugarloaf Key, FL. 33042
305-745-3411/Fax 305-745-2002

PROPERTY CONDITION REPORT

SUMMARY

1.1 Summary of Immediate Repairs

Spalling concrete, stucco, re-sealing of exterior walls

$250,000.00 - $275,000.00

Electrical repairs -

$ 8,000.00 - $10,000.00

Roof repairs, flashings, roof drains -

$3,500.00 - $4,000.00

Air Conditioning - (1) 4 ton split system unit
New 8" ductwork/diffusers

$6,000.00 - $6,500.00

Plumbing repairs -

$2,000.00 - $2,500.00

Exterior door units-

$3,000.00 - $4,000.00

Overhead doors -

$7,500.00 - $9,000.00

Interior repairs —

$5,000.00 - $10,000.00

Associated Home Inspectors, Inc.

Richard A. Gegorek
151 Shore Drive
Sugarloaf Key, FL. 33042
305-745-3411/Fax 305-745-2002

March 19 – 26, 2004

Basic Property Condition Assessment
Inspection Location: D & J Industries Building, Big Pine Key, FL 33043

A visual non-destructive inspection was performed on at the above referenced site for . The following summary report is the result of observations made at the time of inspection.

FOUNDATION/EXTERIOR STRUCTURE

The foundation consists of 16" x 16" masonry block columns solid filled concrete and steel re-enforcing. The columns are approximately 24 "in height.

The main supports beams are 8" x 16" solid poured with steel re-enforcing elevated grade beams that support an engineered, manufactured pre-cast joist system. The concrete floor is poured in placed over the pre-cast joists. This is typical for all three floors in the building.

The condition of the elevated grade beams shows extensive "spalling concrete" with exposed steel re-enforcing.

The condition of the elevated concrete slabs was generally found to be in satisfactory condition. There were a numerous surface cracks throughout the concrete slabs on all the floors, which appear to be from the lack of expansion joints or control joints. The cracks do not appear to be jeopardizing the structural integrity of the floor systems.

Exterior Walls:

The exterior walls are composed of masonry block with a stucco finish. The vertical columns and the horizontal tie beams were covered with stucco on the exterior side, prohibiting full inspection of the concrete material. However, there is evidence of "spalling concrete" which is protruding through the stucco finish at numerous areas on the exterior walls. There are numerous areas of loosely bonded stucco to the masonry wall. This condition exists on approximately 30 percent of the building. The condition of the exterior walls and stucco appears to be in poor condition with major structural deficiencies.

Exterior Doors and Windows:

The entry doors are typical metal commercial assemblies. The windows are standard residential aluminum awning style windows installed in the masonry block openings. The doors are generally in poor condition and should be replaced. The windows are functional and serviceable and presently are in need of maintenance.

Overhead doors:

There are three loading openings that have overhead doors which are a combination of commercial galvanized steel roll up and residential garage type aluminum overhead doors. The doors are manually operated and generally in poor condition with needed repairs / replacement.

ROOF STRUCTURE

Roof Style:

The roof is a flat roof over the main building and the elevator shaft area.

Roof Structure:

The flat roofs are constructed of solid poured steel re-enforced concrete. There is no evidence of any structural deterioration in the concrete roof structures.

Roof Coverings:

The main roof is covered with a modified bitumen rubber roll roofing system which has been hot mopped with asphalt to the roof deck. There is no pitch to the roof as far as drainage is concerned, so the majority of the roof was found to pond water. At the time of inspection the overall visible roof condition was found to be good. The age of the roof coverings is approximately 5 years with a remaining life expectancy of 8 - 12 years, after repairs.

The roof over the elevator shaft is a built-up roof with a tar & gravel. There is an area which appears to be leaking located at the left front corner of the building. (NW) The metal gravel stop needs minor repairs at this area. The age of the roof covering is approximately 20 years with a remaining life expectancy of 3 – 5 years, after repairs and with proper continued maintenance. There are presently several areas of low spots which have a tendency to pond water. These areas will require continued maintenance.

Insulation:

There does not appear to be any insulation of the roof.

Roof Penetrations:

The flashing of the plumbing vent pipe/AC lines appears to be in good serviceable condition. There are no reglets cut in the block walls for the roof to wall flashings and counter flashings. Recommend installation of reglets for proper flashing installations.

Gutters and Downspouts:

There was no roof drainage gutter system installed. There is one small roof drain that appears to be inadequate for effective removal of the amount of ponding water. It is recommended that two additional 6" roof drains be installed.

ELECTRICAL

Main Service:

The main service consists of a three phase, 400 amp, 120/208v service. The main electrical service enters the meter can via overhead wires. The main disconnect and meter is located at the rear of the building.

Electrical Panels:

The interior panels are located on the rear wall of the building. There is a single three phase 200 amp ITE panel, and a single phase 200 amp ITE panel with a 100 amp Square D sub-panel. All panels are equipped with individual circuit breakers as the overcurrent protective devices. There is a Westinghouse single phase Transfer Station installed to be used in conjunction with a back up generator system. The above panels all appear to be in satisfactory condition and were functional at the time of inspection.

Service Entry Conductors:

The main power conductors are # 3/0 AWG insulated copper wires in good condition. The connection of the conductors into the main service lugs were also inspected and found to be in satisfactory condition.

Branch Conductors:

The branch circuits are copper insulated wires installed in metal conduit. The wiring of the branch circuits appears to be satisfactory.

There is no emergency lighting and signage installed. There are no hard wired smoke detectors installed.

The polarity of representative receptacles were tested and found to be in satisfactory operating condition. However, there is no GFIC protection provided where required.

Inspection of the overall condition of the wiring, conduit and light fixtures revealed numerous exposed junction boxes and / or exposed wiring in the under floor crawlspace, on the exposed walls and ceilings, as well as in the area in the suspended ceiling grid.

There was damage to various light fixtures, switches and receptacles which will need to be repaired prior to occupancy.

PLUMBING

The interior water supply lines are a combination of copper and PVC and found to be functional only at the 1st floor. The water pressure was extremely poor and could not be tested due to a partially frozen main shut off valve located at the right rear corner of the building. There was no water to the 2nd floor due to the partially open shut off valve.

The main supply line from the meter appears to be located alongside of the fence at the right side of the property line of the Rogers Building to the D&J property. The majority of the ¾" PVC supply piping is lying on the top surface of the ground unprotected from the sun and /or physical damage.

The plumbing drain and vent lines are PVC. The waste lines from the two bathrooms do not appear to be fully functional due to an improper slope of the waste lines to the private disposal system.

There is a broken vent pipe found on the second floor of the building.

There was no water heater found so there is only cold water supplied to the bathrooms and the kitchen areas.

The fixtures in the bathroom at the 1st floor were tested and found to be functional however, the fixtures showed neglect, deferred maintenance. No fixtures at the 2nd floor were tested due to lack of water supply.

Recommend contacting a plumbing contractor for further evaluation of the plumbing system.

Recommend inspection of the on –site disposal system which is not in the Scope of this report

MECHANICAL

Cooling:

The interior climate on the 2nd floor is controlled by two separate, air-cooled split system air conditioning units. The air handlers for the systems are located in the suspended ceiling in the office and the storage area. The condenser/compressor is located on the roof.

Unit # 1

– 4 ton Carrier condenser unit and a Trane air handler. Inspection of the air handlers, the evaporator coils, filters, etc found the units to be in good operating condition. The inspection was possible only after an initial repair was done to poor wiring connections at the condenser. The age of the unit is "Circa' 1998 with an estimated remaining life expectancy of 2 – 4 years with proper maintenance.

Unit # 2

- 3 ½ ton Tempstar condenser unit and air handler. Inspection of the air handler, and condenser unit revealed the compressor was not functional, and the evaporator coil was rusted and generally in poor condition. Replacement of the unit will be necessary.

Heating:

The system was turned on the heat mode and operated under the normal operating controls. The units did not engage in the heat mode indicating that possibly a heat strip was not installed in the unit or that the controls were not properly functioning,

Distribution and Ducts:

The ductwork was concealed in the suspended ceiling grid in each of offices/ rooms. The ductwork and the vent were inadequate in size and should be replaced with 8" flex ducting to eliminate static pressure.